



Department of Justice

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NEW JERSEY COMPANY AND CHIEF EXECUTIVE OFFICER AGREE TO PLEAD GUILTY TO INTERNATIONAL PRICE FIXING CONSPIRACY

WASHINGTON, D.C. – A Parsippany, New Jersey manufacturer of isostatic graphite, and its President and Chief Executive Officer today agreed to plead guilty and pay fines totaling more than \$7.15 million for participating in an international cartel to fix the price of non-machined and semi-machined isostatic graphite sold in the United States and elsewhere.

The information, filed in U.S. District Court in Philadelphia, charges Carbone of America Industries Corp. and Michel Coniglio, a French citizen, with conspiring with unnamed co-conspirators to suppress and eliminate competition in the isostatic graphite industry from as early as July 1993 until at least February 1998. Carbone of America Industries Corp. has agreed to pay a fine of \$7.15 million, and Coniglio has agreed to pay a fine of \$100,000 for their role in the conspiracy. Both the corporation and its CEO have agreed to cooperate in the Department's ongoing investigation.

Isostatic graphite is a fine grain carbon product with great strength and resistance to heat and chemical reaction. It is commonly used to produce, among other products, electrodes for electrical discharge machinery, dies for the continuous casting of metals, and various products used in the semiconductor industry, which require its unique properties.

According to the charge, Carbone of America Industries Corp. and Coniglio carried out the conspiracy by:

- participating in meetings and conversations to discuss prices and grades of non-machined and semi-machined isostatic graphite sold in the U.S. and elsewhere;
- agreeing to charge prices at certain levels and to increase and maintain those prices;
- agreeing to maintain market shares on the sale of non-machined and semi-machined isostatic graphite;
- agreeing to refrain from selling non-machined and semi-machined isostatic graphite to a co-conspirator's customer;
- agreeing to eliminate discounts from the fixed price of non-machined and semi-machined isostatic graphite;
- agreeing to standardize the grades of non-machined and semi-machined isostatic graphite;
- exchanging sales and customer information for the purpose of monitoring and enforcing the terms of the agreement; and
- issuing price announcements and price quotations in accordance with the agreements reached.

“Carbone of America Industries Corp. and Michel Coniglio have done the right thing in accepting responsibility for their illegal activity and agreeing to cooperate with the investigation. Their cooperation should provide a significant boost to our efforts to charge other cartel members,” said Joel I. Klein, Assistant Attorney General for Antitrust.

Carbone of America Industries Corp. and Michel Coniglio are charged with violating the Sherman Act, which carries a maximum fine of \$10 million for corporations and a maximum penalty of three years imprisonment and a \$350,000 fine for individuals.

The maximum fine for both corporations and individuals may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's charge is the result of an ongoing investigation being conducted by the Antitrust Division's Philadelphia Field Office and the Federal Bureau of Investigation in Philadelphia.

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